VZCZCXYZ0002 RR RUEHWEB

DE RUEHC #7765 3181848
ZNR UUUUU ZZH
R 141844Z NOV 09
FM SECSTATE WASHDC
TO RUEHIN/AIT TAIPEI 0000
INFO RUETIAA/DIRNSA FT GEORGE G MEADE MD
RUCPDOC/USDOC WASHINGTON DC 0000
RUEKJCS/SECDEF WASHINGTON DC
RHMCSUU/FBI WASHINGTON DC 0000
RUEAIIA/CIA WASHINGTON DC

UNCLAS STATE 117765

SIPDIS

AIT-TAIPEI FOR MATTHEW O'CONNOR & MI-YONG KIM

E.O. 12958: N/A TAGS: ETTC KOMC TW

SUBJECT: BLUE LANTERN LEVEL 3: PRE-LICENSE END-USE CHECK

ON APPLICATIONS 050197967 AND 050198220

REF: 2006 BLUE LANTERN GUIDEBOOK

1. This is an Action Request. See paragraphs 2-4.

- 12. The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests AIT Taipei's assistance in conducting a pre-license, end-use check on applications 050197967 and 050198220 for the export of International Traffic in Arms (ITAR)-controlled datalink equipment to Taiwan. AIT Taipei is requested to complete this Blue Lantern inquiry within 30 days. Lack of response to a Blue Lantern inquiry will affect pending and future licenses involving parties to this license.
- 13. Reason for request: Foreign Consignee Carbon-Based Technology, Inc. has never appeared on a license; sensitive ITAR equipment.
- 14. Action: Department requests that AIT Taipei make inquiries to establish the bona fides of the foreign consignee in the proposed transactions. If possible, conduct a site visit to assess the company's reliability as a recipient of United States Munitions List (USML) items as well as its operations and on-site security. Emphasize that the unauthorized re-export or retransfer of USML items is strictly prohibited. Confirm with the end-user that it placed the orders for the items listed below for the purpose stated on the applications. Determine whether any other Taiwan-based firms are involved in the procurement of the items. Remind the end-user that the unauthorized re-export or retransfer of United States Munitions List (USML) items is strictly prohibited.

The following questions provide guidance:

- Please confirm orders for the items listed on licenses 050197967 and 050198220.
- Does Carbon-Based Technology understand the restrictions against the unauthorized re-export or retransfer of U.S.-origin defense articles?
- Does Carbon-Based Technology serve as a broker of USML articles with any countries besides Taiwan? If so, where? If your company has offices abroad, where are they located? Has this company ever used any other names?
- How long has your company been in the business of importing and selling defense articles?
- What other products are sold by this company?
- How long has Carbon-Based Technology, Inc. been involved in business operations with End-User Chung Shan Institute of

Science and Technology?

- What business relationship, if any, does your company have with the Government of Taiwan?

End Action Request.

15. Details of license applications:

DTC CASE: 050197967

QUANTITY/COMMODITY:

License Value: USD \$210,453.

DTC CASE: 050198220
QUANTITY/COMMODITY:

1 Unit Video Transmitter Model BMT85-4A

License Value: USD \$2600.

SELLER:

Broadcast Microwave Services, Inc. Attn: Ann Chen 12367 Crosthwaite Circle Poway, CA 92064 (858)842-4720

FOREIGN CONSIGNEE:

Wen-Long Chung Carbon-Based Technology, Inc. 1099-5, Sec. 3 Song Chiu Road Taichung City (406) Taiwan Republic of China Tel: 886 4 2426 7288 Fax: 886 4 2426 7289

END USER:

Yuan-Hwang Lian
Chief, Remote Control Section
Information & Communication Research Division
Chung Shan Institute of Science & Technology
No. 481 Chia An Sec
Chung-Cheng Road
Chia-An Village
Lung-Tan, Taoyuan
Taiwan
Republic of China

PURPOSE:

Datalink System supports surveillance, coastal patrol and typhoon damage investigations involving the Chung-Shyang II UAV. Components and spare parts are for its ground station with less than 200 kilometer maximum range. The UAV has a 25 kilogram EO payload. The BMT85-4A is a component of Datalink System and is used for transmission of video and other data between Chung-Shyang II UAV and its ground station.

16. Submitted in support of the license applications were the following documents (PM/DTCC will fax documentation to AIT Taipei upon request):

- -- Chung Shan Institute of Science and Technology End-Use Statement dated 7 September 2009 which references CSIST Order No. XC98Q20P;
- -- U.S. Department of State Non-Transfer and Use Certificate dated September 2009;
- -- Carbon-Based Technology, Inc. Purchase Order No. PO-98PO408-1.
- $\underline{\P}7.$ Please slug reply for PM/DTCC BLUE LANTERN COORDINATOR and include the

words "Blue Lantern" and the case number in the subject line. POC is Rachael-Therese S. Joubert-Lin, Phone: 202-663-2950; Email:

JoubertLinRS@state.gov; SIPRNET: JoubertLinRS@ The Blue Lantern Guidebook

(ref) is available at

http://www.intelink.sgov.gov/wiki/Department< /a> of State%27s Blue Lantern End-Use Monitoring Program

 $\P 8.$ (U) Department is grateful for AIT Taipei's assistance in this matter. CLINTON